

1-2020

AUG 20 1954

MEMORANDUM FOR: Chief of Operations, DD/P

SUBJECT: Project OBDURATE (Approval)

1. The attached project, originating in the SE Division, is herewith presented for your approval in the total amount of \$9,120 for the period 1 July 1954 through 30 June 1955.
2. Authority is requested to obligate this fund from the DD/P-SE Division budget of the 1955 fiscal year.
3. There is attached a memorandum, prepared by the Plans Staff, dated 17 August 1954, summarizing the important factors involved and stating the recommendations of the FI Staff.

[]

GORDON M. STEWART
Chief
Foreign Intelligence

Approved: []
Chief of Operations, DD/P

20 August '54
Date

Attachment: Project Outline OBDURATE

DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCE METHOD EXEMPTION 3B2B
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2007

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17 August 1954

MEMORANDUM FOR: Chief, Foreign Intelligence

SUBJECT: Project OBSCURE (Approval)

1. PURPOSE: This project incorporates the Agency's liaison with Italian Naval Intelligence to exploit the intelligence potential of a significant Albanian emigre group in Rome. Through this liaison the agency taps sources of the Albanian group for information on Albania and Albanians in Italy and Yugoslavia. It also is developing a penetration of the Albanian Legation in Rome. []
2. PERSONNEL: The agent [], a prominent BKI member, possesses sources of information on Albania. Some of these sources are in Yugoslavia and are contacted by open mail. The agent [], another prominent BKI member who influences [], is one of the most valuable sources of potential agent recruits for CIA-controlled operations into Northern Albania.
3. CONTROL: [] and [] each possess high ideological motivation and the strong conviction that the U. S. is the only world power strong enough and sufficiently devoted to the ideal of national self-determination to provide hope of the eventual liberation and territorial integrity of Albania. Neither [] or [] would want their collaboration with us to become known to the Italians.
4. BACKGROUND: The FI aspects of this project formerly were included in the FI/PP project OBSTACLE approved by Chief, FI in April 1954 for the year ending 30 June 1954 at a cost of []. It was stipulated, at the time of that approval, by Chief, Plans and concurred in by Chief, FI that PP would assume the bulk of the financial obligation in support of the BKI by June 1954, at which time a reduced concise FI project would be submitted to cover the FI potential. The attached project is the incorporation of the FI assets. PP, through an approved new project, now makes its contribution to the support of the BKI through its leader in New York. As near as can be determined, in working with an emigre political group of this kind, the financial support of this project is solely for the conduct of FI operations from the Rome base. On the other hand, it is possible that some of the money paid the two Albanians in Rome is used by them for political purposes.
5. APPROVAL PERIOD AND COST: Approval is requested for the period 1 July 1954 through 30 June 1955 at a cost of \$9,120 broken down as follows: Payments to [] which are disbursed to him through [] - \$5,280, and payments directly to [] by the CIA case officer - \$3,840.
6. FI STAFF RECOMMENDATIONS: Staff C, FI/OPS and Plans Branch recommend approval. Plans Branch comments that the project is targeted against "Priority 5" objectives as reflected in the Mission Directive for Italy,

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currently under review, and which may be raised to "Priority 4." Plans Branch also states that the project is in line with planning for use of non-orbit assets as set forth in the Denied Area plan for Albania which has been approved.

Chief, FI/Plans

Concur:

Chief, Foreign Intelligence

19 August
Date

Attachment: Project Outline OBDURATE

FI Staff Coordination:

For Chief, Staff C	- s/c
STC/SPB	- s/c
Deputy Chief, FI/OPS	- s/c
For Chief, FI/OPS	- s/c
Acting Chief, Plans Branch	- s/c
Chief, RQM	- s/c

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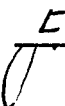
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OBDURATE

1. It would appear from the attached Project Outline that this is a new FI Project, resurrected from the ashes of a former joint PP/FI operation. RQM is not able, therefore, to perform an intelligence review at this time.

2. Because of the absence of any description of positive intelligence collection capabilities, RQM is unable at this time to relate current requirements on Albania to this Project.

3. No recommendation is made on this Project.

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Chief, FI/RQM

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PROJECT OUTLINE

CRYPTONYM: OBDURATE

HQS CASE OFFICER: []

DIVISION : SE/WE

ROOM NUMBER : 1313J

EXTENSION : 672

STATION : ROME

DATE : 30 June 1954

The attached project outline is presented for approval.

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[]
C/WE/4

[]
C/SE-1

X []
C/WE

[]
SE/CFI

2 July 1954

[]
C/SE

1 July 54
Date

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PROJECT OUTLINE

CRYPTONYM: OBDURATE

PART I

1. Area of Operations:

Italy, Northern Albania, and Yugoslavia

2. Background

a. Subject project was originally approved as Plan CHARITY under the WE Division project LABEFACION and was renewed as Project OBSTACLE for the period ending 30 June 1953, and again for the period ending 30 June 1954.

b. This project is designed to continue for one year the remaining elements of Plan OBSTACLE which include the information gathering and reporting apparatus of [] and the services of []. The other elements of Plan OBSTACLE which were predominately of a PP nature (control and support of the Albanian BKI political emigre group in Italy) were successfully transferred to a PP project. This transfer of PP assets will permit the WE case officer concerned to devote more time to the remaining FI assets and potential of this project. []'s reporting set-up will remain relatively unchanged. Subject will continue being paid through [] (However, under the present arrangement subject will no longer receive additional funds directly from the case officer involved.)

3. Purpose:

a. Objectives:

(1). Exploiting []'s sources of information on Albania, on the activities of Albanians in Yugoslavia, and the activities of Albanians in Italy.

(2). Maintaining a check on [] activities concerning Albania via []

b. Targets

(1). The Albanian refugees in Yugoslavia. These refugees estimated to number from four to seven thousand, constitute a pool of potential paramilitary manpower which could be used by the UDB for relatively large scale operations against Albania. This possibility has been regarded by the State Department as a matter of serious concern to the United States Government. In the past a great deal of useful information concerning Albanian activities in Yugoslavia has been received from sources already established in Yugoslavia which includes former

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CHARITY agents who were forced to flee Albania and exfiltrate to Yugoslavia. Although much of the information received from these sources in Yugoslavia was obtained from letters received overtly in Rome through the open mail, the information can be considered covert. This information has seldom been available to our customers from any other sources.

- (2) [] activities relative to Albania, and Albanian Emigre groups in Italy.

c. Tasks:

- (1) The case officer handling this project in the field has the primary task of maintaining the loyal collaboration of [] and improving the quality of information which is forthcoming from his net. Since [] is reporting directly to the CIA case officer handling this project, the full extent of which collaboration is not known to [] he is continuously risking his years of high standing with the Italian authorities by acting as one of the principal agents in this project.
- (2) Maintaining the goodwill and loyalty of [] which was created by the case officer under Project OBSTACLE, and which is a significant factor in insuring the loyal collaboration of []. [], an important leader of the BKI faction, is a close friend of [] and has a great deal of influence over him. [] is also one of the most valuable sources of potential agent recruitment for CIA-controlled operations in Northern Albania.
- (3) Continuing the development of a controlled contact between a BKI member and an employee of the Albanian Legation in Rome.
- (4) Maintaining the congenial working relationship between this agency and Italian Intelligence on Albanian affairs which in the past has provided a means of determining to some degree Italy's policy in relation to Albania and Albanian emigre groups. Although the expenditures involved in Project OBDURATE are small in comparison with other [] operations, support of []'s net provides an indication to the Italians that we are willing to work with them on Albanian affairs which play an important role in Italian foreign policy.

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4. Personnel:

Individuals involved as informants in this operation are too numerous to detail here. Contact is maintained by letter with some ten members of former CHARITY teams who were forced to exfiltrate to Yugoslavia, as well as other adherents of the BKI political group who are scattered along Albania's northern borders. This paragraph will therefore be limited to the principal agents with whom the case officer maintains contacts in Rome.

a. []: Subject is the paramount tribal leader of Northern Albania who by heredity is the custodian of the code of law governing disputes among the Catholic and Moslem tribes alike. Although absent from Albania since 1945, the experience of the CHARITY missions demonstrates conclusively that he retains a strong hold upon the loyalty of much of the north Albanian mountain population. This standing in Albania is also indicative of his standing within the BKI faction in Italy as well as other Albanian emigre groups.

b. []: Subject began his career as a scholar and became one of the foremost poets writing in the Albanian language, as well as the leading authority on that language's origins, before he became interested in politics. Because of his Catholic religion and long education in Italy, he was a strong supporter of Albania's "Union" with Italy and held cabinet rank during the Italian occupation of his native country. Despite this history of collaboration with the Italians, he remains an influential figure in North Albania.

5. Cover:

a. [] and [] as leaders of the BKI emigre group live overtly in Italy where they enjoy the official protection of the Italian Government. No cover is therefore necessary.

b. The CIA case officer is known to above subjects by his true name and as a representative of this agency. His contact has been surprisingly secure in view of its long duration (since mid-1948).

6. Contact and Communications:

a. Contact between the case officer and subjects noted above generally takes place at a safehouse in Rome.

b. Contact with []'s sources in Yugoslavia for the most part is maintained by open mail. However, some reports are received clandestinely through refugees who have left Yugoslavia with messages from []'s sources located there.

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7. Control:

- a. An indirect control which we exercise over [] and [] stems basically from their high ideological motivation and strong conviction that the U.S. is the only world power strong enough and sufficiently devoted to the ideal of national self-determination to provide hope of the eventual liberation and territorial integrity of Albania.
- b. An additional control over [] is that he would not want the full extent of his collaboration with the U.S. or this agency to become known to the Italian authorities since such an exposure would greatly affect his present high standing with the Italian authorities.
- c. An additional control of [] even if only indirect, is the inclusion of his political party (BKI) in the NCFA. This representation in the NCFA has been sought after by the BKI for several years and was only accomplished through great effort on the part of this agency early in 1954. [] is grateful for this turn of events and is aware of the fact that the present situation will continue to exist in the main only with the approval and concurrence of the United States.

8. Special Equipment:

None

9. Financial Aspects:

The total yearly cost is expected to approximate \$9,120 (American). However, monthly payments will be made in Italian lire. The monthly payments to [] (275,000 lire) will be made through []. [] will be paid 200,000 lire directly by the case officer. (See attachment A). Initial approval is requested for one year beginning 1 July 1954 through 30 June 1955.

10. Special Problems and Commitments:

None

11. Coordination

WE/Division

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Attachment A

Monthly payments to □ □ through □ □

250,000 lire (\$400) for operation of net

25,000 lire (\$ 40) for gift packages to former CHARITY
agents presently in Yugoslavia

Monthly payments to □ □

200,000 lire (\$320)

TOTAL: \$760.00 per month

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